

'I feel potentially robbed,' says local hospital patient

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SEATTLE -- Patients have compared it to a pricey game of roulette.

They have health insurance and believe they are seeing a medical provider who accepts their insurance plan but after receiving treatment discover some aspect of the care they received wasn't covered and they have to pay the bill.

Thousands of Washingtonians have experienced the practice known as 'balance billing.'

The surprising bills are often associated with emergency care, surgery, lab work and other advanced treatments and patients complain they were given no warning they'd be getting the bill.

"I don't really remember even talking about going into an ambulance," said Brian Rothstein.

When a bad case of ulcerative colitis landed Rothstein in the hospital, paying the bill was the furthest thing from his mind.

"I was very sick. In another hour or two, I could have been dead," Rothstein said.

Rothstein rushed to Swedish Medical Center in Ballard. He was later transferred by ambulance to the medical group's Edmonds Campus.

Rothstein didn't worry because he knew the hospital was in his network and he believed would be covered by his insurance but he was in for a surprise. After 10 days in the hospital, he received around three dozen bills from various providers totaling more than \$128,000.

Rothstein says his insurance company, Ambetter Coordinated Care, indicated the allowed amount the insurance company would cover for those services was much smaller, around \$46,000, meaning he would be left to pay the balance.

Turns out, the hospital had been in Rothstein's network but many of the providers who contributed to his care were not.

"Is this fair?" asked Rothstein. "It doesn't seem fair to me."

So what's behind the conflicting bills?

Insurance companies make deals with doctors and hospitals to control the cost of health care. Industry insiders tell KING5 they will typically offer the government approved medicare rate on the low end and negotiate up to 300% of that.

When the two can't agree, the medical provider falls out of the insurance company's network and both parties default to pre-set rates.

A study by America's Health Insurance Plans, the national trade association for the health insurance community, found in those cases doctors may bill up to 14 times what Medicare pays.

It's much more than what the insurance companies will cover and more than what doctors typically expect from insurance companies with whom they contract.

Charges Billed by Out-of-Network Providers: Implications for Affordability

The difference between what insurance companies will cover and what out-of-network doctors request is the 'balance bill.'

The balance bill is the amount the consumer is left to pay or negotiate down on their own.

"I'm stuck in the middle," Rothstein said.

Dr. Nathan Schlicher, assistant secretary-treasurer for the Washington State Medical Association, is sympathetic to patients who feel taken advantage of by the surprising bills.

"That surprise is not out of line or out of concern," Schlicher said. "That original list price is what is set for the providers. It's not what is negotiated for and it's not what they will take."

Luckily for Rothstein, most of those providers quickly compromised accepting the amount his insurance was offering.

American Medical Response did not. That's the ambulance company that transferred Brian from Swedish Ballard to Swedish Edmonds.

"They are saying, 'No, we want the full amount,'" Rothstein said.

The bill was for about \$2,318 but Rothstein's insurance valued the trip at just \$734, an amount below the industry baseline set by Medicare.

So, while Rothstein had to pay the entire bill, the insurance company would only be crediting \$734 toward the out of pocket yearly maximum defined in his insurance.

"I went to a hospital my insurance company covers and somehow I end up in an ambulance they don't cover fully," Rothstein said. "I feel potentially robbed."

It's hard to say exactly how many people find themselves in Rothstein's situation.

The Consumers Union estimates 1-in-3 Washingtonians with private insurance received a surprising bill in the past two years.

However, the American College of Emergency Physicians says balance billing is much less frequent, leaving less than 1% of ER patients with a bill over \$250.

Actual complaints into the Washington State Office of the Insurance Commissioner are even fewer. Commissioner Mike Kreidler's office received less than 100 complaints in the past two years.

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"It's the tip of the iceberg. We know that we have a lot of people who have this problem," Kreidler said. "When a surprise bill comes in, they say, 'Maybe this is how the system works.' It doesn't have to work that way. They should complain about it. Complain to my office."

For now, Kreidler is limited on what he can do because balance billing is perfectly legal in Washington.

"Who is my beef with? That's the problem, I can't figure out who to be annoyed with," Rothstein said.

KING5 called AMR on Rothstein's behalf.

Shortly after he received a call. The company agreed to reduce his bill from a couple thousand dollars to just under \$200 over the amount allowed by his insurance.

KING5 also had discussions with Ambetter and yet again Rothstein told KING5 he received a call shortly after indicating his claim was under review and the full amount of the ambulance ride would likely be recognized by his insurance after all.

"I'm in a good place now," Rothstein said with a chuckle.

In a statement Ambetter wrote, "Coordinated Care is committed to providing affordable and accessible health care."

An AMR spokesperson also provided a statement writing, "We are here to care for patients in need," regardless of payment.

It's a big relief for Brian who's already had his share of hardships this year.

"I was in the hospital for 10 days. I knew this year I was just unlucky," Rothstein said. "Overall, it's just the system is messed up. It seems like nobody knows exactly what is going on."

KING5 wants to hear from you. Have you had a surprising medical bill? Share your stories privately with us by filling out the form found here: [King5.com/shareyourbills](https://king5.com/shareyourbills) or emailing us at shareyourbills@king5.com.